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OFFICE OF THE  
EXECUTIVE SECRETARY  
May 21, 2001

**VIA HAND DELIVERY**

Mr. K. David Waddell  
Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243

***Re: Joint Petition of Crockett Telephone Company, Inc., Peoples' Telephone Company, West Tennessee Telephone Company, Inc., and the Consumer Advocate Division of the Office of the Attorney General for the Approval and Implementation of Earnings Review Settlement Docket No. 99-00995***

Dear Mr. Waddell:

Enclosed please find the original and thirteen (13) copies of TEC's Response to the Tennessee Regulatory Authority's Staff Data Request dated May 11, 2001, for filing in the above-referenced docket. I have also enclosed an additional copy of TEC's Response, which I would appreciate your stamping "filed," and returning to me by way of our courier.

Should you have any questions with respect to this matter, please do not hesitate to contact me.

Best regards.

Very truly yours,



R. Dale Grimes

RDG/gci  
Enclosures

cc: Val Sanford, Esq. (w/ enclosure)  
Timothy C. Phillips, Esq. (w/ enclosure)  
J. Richard Collier, Esq. (w/ enclosure)  
T.G. Pappas, Esq. (w/ enclosure)  
Mr. Gregory Eubanks (w/ enclosure)  
Mr. Thomas W. Ott (w/ enclosure)  
Mr. Dwight Work (w/ enclosure)

### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of TEC's Response to the Tennessee Regulatory Authority's Staff Data Request dated May 11, 2001 has been served upon the following, via the method(s) indicated, this the 21 day of May, 2001:

<input checked="" type="checkbox"/> Hand <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile	Val Sanford, Esq. Gullett, Sanford, Robinson & Martin, PLLC 230 Fourth Avenue, North 3 <sup>rd</sup> Floor P.O. Box 198888 Nashville, Tennessee 37219-8888
<input checked="" type="checkbox"/> Hand <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile	Timothy C. Phillips, Esq. Office of the Attorney General Consumer Advocate and Protection Division 425 5th Avenue North, 2nd Floor Nashville, TN 37243-0491
<input checked="" type="checkbox"/> Hand <input type="checkbox"/> Mail <input type="checkbox"/> Facsimile	J. Richard Collier, Esq. General Counsel Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243-0505

*J. R. Collier*

*Telephone Electronics Corporation*

*Tennessee Regulatory Authority*

*Data Request*

*May 5, 2001*

*17-May-01*

1. What is the combined annual revenue impact on the TEC Companies of setting the following access rate elements to zero:

(a) Transport Interconnection Charge;	\$ 860,141.35
(b) Carrier Common Line Charge; and	981,804.02
(c) Directory Assistance/Information Surcharge?	<u>11,312.39</u>
(d) Total Revenue Impact	<u>\$1,853,257.76</u>

Please see attached worksheets.

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item #1**

**Peoples Telephone Company**  
**Combined Revenue Impact of Setting TIC, CCL, and DA Surcharge Rate to Zero**  
**Intrastate**

		<u>Current Rates</u>	<u>Annual Rev. Impact</u>
TIC		0.015055	314,502.82
DA Surcharge		0.000198	4,136.27
CCL	Originating	0.019837	
	Terminating	0.021237	
	Avg CCL	<u>0.020537</u>	<u>429,023.21</u>
<b>Revenue</b>			<b><u>747,662.30</u></b>
<b>Intrastate MOU's</b>		<b>20,890,257</b>	

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item #1**

**West Tennessee Telephone Company, Inc.**  
**Combined Revenue Impact of Setting TIC, CCL, and DA Surcharge Rate to Zero**  
**Intrastate**

		<u>Current Rates</u>	<u>Annual Rev. Impact</u>
TIC		0.015055	273,229.46
DA Surcharge		0.000198	3,593.45
CCL	Originating	0.012604	
	Terminating	0.014004	
	Avg CCL	<u>0.013304</u>	<u>241,451.00</u>
<b>Revenue</b>			<b><u>518,273.91</u></b>
<b>Intrastate MOU's</b>		<b>18,148,752</b>	

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item #1**

**Crockett Telephoine Company, Inc.**  
**Combined Revenue Impact of Setting TIC, CCL, and DA Surcharge Rate to Zero**  
**Intrastate**

		<u>Current Rates</u>	<u>Annual Rev. Impact</u>
TIC		0.015055	272,409.07
DA Surcharge		0.000198	3,582.66
CCL	Originating	0.016506	
	Terminating	0.017906	
	Avg CCL	<u>0.017206</u>	<u>311,329.82</u>
<b>Revenue</b>			<b><u>587,321.55</u></b>
<b>Intrastate MOU's</b>		<b>18,094,259</b>	

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item #1**

**TEC Tennessee Telephone Companies**  
**Combined Revenue Impact of Setting TIC, CCL, and DA Surcharge Rate to Zero**  
**Intrastate**

		<b>Crockett Annual Rev. Impact</b>	<b>Peoples Annual Rev. Impact</b>	<b>West Tennessee Annual Rev. Impact</b>	<b>Total TEC Tenn. Annual Rev. Impact</b>
TIC		272,409.07	314,502.82	273,229.46	860,141.35
DA Surcharge		3,582.66	4,136.27	3,593.45	11,312.39
CCL	Originating Terminating Avg CCL	<u>311,329.82</u>	<u>429,023.21</u>	<u>241,451.00</u>	<u>981,804.02</u>
<b>Revenue</b>		<b><u>587,321.55</u></b>	<b><u>747,662.30</u></b>	<b><u>518,273.91</u></b>	<b><u>1,853,257.76</u></b>
<b>Intrastate MOU's</b>		<b>18,094,259</b>	<b>20,890,257</b>	<b>18,148,752</b>	<b>57,133,268</b>



2. Provide supporting calculations and documentation (price out) that demonstrate how the combined annual revenue impact reported in the response to item no. 1, above, was computed.

Response: Please see attached worksheets.

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 2**

Peoples Telephone Company  
 AT&T & All Other IXC's Access Rates  
 Intrastate/interlata

		<u>Peoples</u>	<u>July 1,2001</u>	<u>Jan. 1,2002</u>	<u>July 1, 2002</u>	<u>Jan.1,2003</u>
Switched Facility	X miles X minutes X BP	0.000090				
	Composite - Switched Facility	0.001108	0.001108	0.001108	0.001108	0.001108
Switched Term		0.000443				
	Composite - Switched Term	0.000944	0.000944	0.000944	0.000944	0.000944
Local Switching		0.040400	0.040400	0.040400	0.040400	0.040400
TIC		0.015055	0.011291	0.007528	0.003764	-
DA Surcharge		0.000198	0.000149	0.000099	0.000050	-
CCL	Originating	0.019837	-	-	-	-
	Terminating	0.021237	-	-	-	-
	Avg CCL	0.020537	0.015403	0.010269	0.005135	-
	Total rate	0.078242	0.069295	0.060348	0.051400	0.042452
	Rate Decrease		0.008947	0.008947	0.008947	0.008948
	Intra/Interlata MOU's		1,519,566	1,557,555	1,596,494	1,636,406
Access Reduction	(July 1 ,2001-Jan 1, 2002)		\$ 13,595.94	\$ 13,935.84	\$ 14,284.23	\$ 14,642.97
Access Reduction	(Jan. 1 ,2002-July 1, 2002)		-	13,935.84	14,284.23	14,642.97
Access Reduction	(July. 1, 2002-Jan 1, 2003)		-	-	14,284.23	14,642.97
Access Reduction	(Jan. 1, 2003-July 1, 2003)		-	-	-	14,642.97

\$ 58,571.89

	<u>Year</u> <u>Totals</u>	<u>Cumulative</u> <u>Totals</u>
Totals 2001	\$ 13,595.94	\$ 13,595.94
Totals 2002	70,724.36	84,320.30
Totals 2003	58,571.89	142,892.19

Totals \$ 142,892.19 \$ -

Total Impact with Rates in Place for a Full Year \$ 117,143.79 -4

**NOTES**

- 1-Minutes of use are 2000 annual minutes divided by two and increased semiannually by 2.5%
- 2-The Transport Interconnect Charge (TIC), the Carrier Common Line Charge(CCL) and the DA Surcharge are proposed to begin a phase-down commencing July 1, 2001 and scheduled to continue thru Jan1, 2003 in six month intervals until Jan.1, 2003 when both rates will become zero.
- 3-Access Rates effective 1-1-01
- 4-Total Access Revenues from January thru December 2003

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 2**

West Tennessee Telephone Company, Inc.  
 AT&T & All Other IXC's Access Rates  
 Intrastate/interlata

		<u>West Tenn</u>	July 1,2001	Jan.1,2002	July1,2002	Jan.1,2003
Switched Facility	X miles X minutes X BP	0.000090				
	Composite - Switched Facility	0.001048	0.001048	0.001048	0.001048	0.001048
Switched Term		0.000443				
	Composite - Switched Term	0.001062	0.001062	0.001062	0.001062	0.001062
Local Switching		0.040400	0.040400	0.040400	0.040400	0.040400
TIC		0.015055	0.01129125	0.0075275	0.00376375	0
DA Surcharge		0.000198	0.0001485	0.000099	0.0000495	0
CCL	Originating	0.012604	-	-	-	-
	Terminating	0.014004	-	-	-	-
	Avg CCL	0.013304	0.009976	0.006648	0.00332	-
	Total rate	0.071066	0.063925	0.056784	0.049643	0.042509
	Rate Decrease		0.007141	0.007141	0.007141	0.007133
	Intra/Interlata MOU's		1,445,749	1,481,893	1,518,940	1,556,914
Access Reduction	(July 1 ,2001-Jan 1, 2002)		\$ 10,324.46	\$ 10,582.57	\$ 10,847.13	\$ 11,105.85
Access Reduction	(Jan. 1 ,2002-July 1, 2002)		-	10,582.57	10,847.13	11,105.85
Access Reduction	(July. 1, 2002-Jan 1, 2003)		-	-	10,847.13	11,105.85
Access Reduction	(Jan. 1, 2003-July 1, 2003)		-	-	-	11,105.85
						<u>\$ 44,423.41</u>
		<u>Year Totals</u>	<u>Cumulative Totals</u>			
Totals 2001		\$ 10,324.46	\$ 10,324.46			
Totals 2002		53,706.52	64,030.98			
Totals 2003		<u>44,423.41</u>	<u>108,454.39</u>			
Totals		<u>\$ 108,454.39</u>	<u>\$ -</u>			
Total Impact with Rates in Place for a Full Year			<u>\$ 88,846.83</u> -4			

**NOTES**

- 1-Minutes of use are 2000 annual minutes divided by two and increased semiannually by 2.5%
- 2-The Transport Interconnect Charge (TIC), the Carrier Common Line Charge(CCL) and the DA Surcharge are proposed to begin a phase-down commencing July 1, 2001 and scheduled to continue thru Jan1, 2003 in six month intervals until Jan.1, 2003 when both rates will become zero.
- 3-Access Rates effective 1-1-01
- 4-Total Access Revenues from January thru December 2003

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 2**

Crockett Telephone Company, Inc.  
 AT&T & All Other IXC's Access Rates  
 Intrastate/interlata

	<u>Crockett</u>	<u>July 1, 2001</u>	<u>Jan. 1, 2002</u>	<u>July 1, 2002</u>	<u>Jan. 1, 2003</u>
Switched Facility X miles X minutes X BP	0.000090				
Composite - Switched Facility	0.000591	0.000591	0.000591	0.000591	0.000591
Switched Term	0.000443				
Composite - Switched Term	0.000873	0.000873	0.000873	0.000873	0.000873
Local Switching	0.040400	0.040400	0.040400	0.040400	0.040400
TIC	0.015055	0.011291	0.007528	0.003764	-
DA Surcharge	0.000198	0.000149	0.000099	0.000050	-
CCL					
Originating	0.016506	-	-	-	-
Terminating	0.017906	-	-	-	-
Avg CCL	0.017206	0.012900	0.008594	0.004306	-
Total rate	0.074323	0.066204	0.058084	0.049983	0.041864
Rate Decrease		0.008119	0.008119	0.008101	0.008119
Intra/Interlata MOU's		1,707,059	1,749,735	1,793,479	1,838,316
Access Reduction (July 1, 2001-Jan 1, 2002)		\$ 13,860.04	\$ 14,206.54	\$ 14,529.42	\$ 14,925.75
Access Reduction (Jan. 1, 2002-July 1, 2002)		-	14,206.54	14,529.42	14,925.75
Access Reduction (July 1, 2002-Jan 1, 2003)		-	-	14,529.42	14,925.75
Access Reduction (Jan. 1, 2003-July 1, 2003)		-	-	-	14,925.75
					<u>\$ 59,702.98</u>

	<u>Year</u> <u>Totals</u>	<u>Cumulative</u> <u>Totals</u>
Totals 2001	\$ 13,860.04	\$ 13,860.04
Totals 2002	72,001.34	85,861.38
Totals 2003	<u>59,702.98</u>	<u>145,564.36</u>

Totals \$ 145,564.36 \$ -

Total Impact with Rates in Place for a Full Year \$ 119,405.97 -4

**NOTES**

- 1-Minutes of use are 2000 annual minutes divided by two and increased semiannually by 2.5%
- 2-The Transport Interconnect Charge (TIC), the Carrier Common Line Charge(CCL) and the DA Surcharge are proposed to begin a phase-down commencing July 1, 2001 and scheduled to continue thru Jan1, 2003 in six month intervals until Jan. 1, 2003 when both rates will become zero.
- 3-Access Rates effective 1-1-01
- 4-Total Access Revenues from January thru December 2003

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 2**

Tennessee TEC Telephoine Companies  
 AT&T& All Other IXC's Access Rates  
 Intrastate/interlata

	<u>July1,2001</u>	<u>Jan.1,2002</u>	<u>July 1,2002</u>	<u>Jan.1,2003</u>
Intra/Interlata MOU's	4,672,374	4,789,183	4,908,913	5,031,636
Access Reduction (July 1 ,2001-Jan 1, 2002)	\$ 37,780.43	\$ 38,724.94	\$ 39,660.78	\$ 40,674.57
Access Reduction (Jan. 1 ,2002-July 1, 2002)	-	38,724.94	39,660.78	40,674.57
Access Reduction (July. 1, 2002-Jan 1, 2003)	-	-	39,660.78	40,674.57
Access Reduction (Jan. 1, 2003-July 1, 2003)	-	-	-	40,674.57
				<u>\$ 162,698.29</u>
	<u>Year</u>	<u>Cumulative</u>		
	<u>Totals</u>	<u>Totals</u>		
Totals 2001	\$ 37,780.43	\$ 37,780.43		
Totals 2002	196,432.23	234,212.66		
Totals 2003	<u>162,698.29</u>	<u>396,910.95</u>		
Totals	<u>\$ 396,910.95</u>	<u>\$ -</u>		
Total Impact with Rates in Place for a Full Year		<u>\$ 325,396.58</u>	-4	

**NOTES**

- 1-Minutes of use are 2000 annual minutes divided by two and increased semiannually by 2.5%
- 2-The Transport Interconnect Charge (TIC), the Carrier Common Line Charge(CCL) and the DA Surcharge are proposed to begin a phase-down commencing July 1, 2001 and scheduled to continue thru Jan1, 2003 in six month intervals until Jan.1, 2003 when both rates will become zero.
- 3-Access Rates effective 1-1-01
- 4-Total Access Revenues from January thru December 2003

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 2**

Peoples Telephone Company  
 BellSouth Access Rates  
 Intrastate/IntraLata

		<u>Peoples</u>	<u>July 1,2001</u>	<u>Jan. 1,2002</u>	<u>July 1, 2002</u>	<u>Jan.1,2003</u>
Switched Facility	X miles X minutes X BP	0.000090				
	Composite - Switched Facility	0.001108	0.001108	0.001108	0.001108	0.001108
Switched Term		0.000443				
	Composite - Switched Term	0.000944	0.000944	0.000944	0.000944	0.000944
Local Switching		0.040400	0.040400	0.040400	0.040400	0.040400
TIC		0.015055	0.011291	0.007528	0.003764	-
DA Surcharge		0.000198	0.000149	0.000099	0.000050	-
CCL	Originating	0.019837	-	-	-	-
	Terminating	0.021237	-	-	-	-
	Avg CCL	0.020537	0.015403	0.010269	0.005135	-
	Total rate	0.078242	0.069295	0.060348	0.051400	0.042452
	Rate Decrease		0.008947	0.008947	0.008947	0.008948
	BellSouth MOU's		8,179,774	8,384,268	8,593,875	8,808,722
Access Reduction	(July 1 ,2001-Jan 1, 2002)		\$ 73,186.48	\$ 75,016.14	\$ 76,891.55	\$ 78,822.65
Access Reduction	(Jan. 1 ,2002-July 1, 2002)		-	75,016.14	76,891.55	78,822.65
Access Reduction	(July. 1, 2002-Jan 1, 2003)		-	-	76,891.55	78,822.65
Access Reduction	(Jan. 1, 2003-July 1, 2003)		-	-	-	78,822.65
						<u>\$ 315,290.58</u>

	<u>Year</u> <u>Totals</u>	<u>Cumulative</u> <u>Totals</u>
Totals 2001	\$ 73,186.48	\$ 73,186.48
Totals 2002	380,706.94	453,893.42
Totals 2003	<u>315,290.58</u>	<u>769,184.00</u>
Totals	<u>\$ 769,184.00</u>	<u>\$ -</u>
Total Impact with Rates in Place for a Full Year		<u>\$ 630,581.17 -4</u>

**NOTES**

- 1-Minutes of use are 2000 annual minutes divided by two and increased semiannually 2.5%
- 2-The Transport Interconnect Charge (TIC), the Carrier Common Line Charge(CCL) and the DA Surcharge are proposed to begin a phase-down commencing July 1, 2001 and scheduled to continue thru Jan1, 2003 in six month intervals until Jan.1, 2003 when both rates will become zero.
- 3-Access Rates effective 1-1-01
- 4-Total Access Revenues from January thru December 2003

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 2**

West Tennessee Telephone Company, Inc.  
 BellSouth Access Rates  
 Intrastate/IntraLata

		<u>West Tenn</u>	<u>July 1,2001</u>	<u>Jan.1,2002</u>	<u>July1,2002</u>	<u>Jan.1,2003</u>
Switched Facility	X miles X minutes X BP	0.000090				
	Composite - Switched Facility	0.001048	0.001048	0.001048	0.001048	0.001048
Switched Term		0.000443				
	Composite - Switched Term	0.001062	0.001062	0.001062	0.001062	0.001062
Local Switching		0.040400	0.040400	0.040400	0.040400	0.040400
TIC		0.015055	0.01129125	0.0075275	0.00376375	0
DA Surcharge		0.000198	0.0001485	0.000099	0.0000495	0
CCL	Originating	0.012604	-	-	-	-
	Terminating	0.014004	-	-	-	-
	Avg CCL	<u>0.013304</u>	0.009976	0.006648	0.00332	-
	Total rate	0.071066	0.063925	0.056784	0.049643	0.042509
	Rate Decrease		0.007141	0.007141	0.007141	0.007133
	BellSouth MOU's		6,980,711	7,155,229	7,334,109	7,517,462
Access Reduction	(July 1 ,2001-Jan 1, 2002)		\$ 49,851.00	\$ 51,097.28	\$ 52,374.71	\$ 53,623.94
Access Reduction	(Jan. 1 ,2002-July 1, 2002)		-	51,097.28	52,374.71	53,623.94
Access Reduction	(July. 1, 2002-Jan 1, 2003)		-	-	52,374.71	53,623.94
Access Reduction	(Jan. 1, 2003-July 1, 2003)		-	-	-	53,623.94
						<u>\$ 214,495.75</u>

	<u>Year</u>	<u>Cumulative</u>
	<u>Totals</u>	<u>Totals</u>
Totals 2001	\$ 49,851.00	\$ 49,851.00
Totals 2002	259,318.68	309,169.69
Totals 2003	<u>214,495.75</u>	<u>523,665.44</u>
Totals	\$ <u>523,665.44</u>	\$ -

Total Impact with Rates in PI \$428,991.50 -4

**NOTES**

- 1-Minutes of use are 2000 annual minutes divided by two and increased semiannually 2.5%
- 2-The Transport Interconnect Charge (TIC), the Carrier Common Line Charge(CCL) and the DA Surcharge are proposed to begin a phase-down commencing July 1, 2001 and scheduled to continue thru Jan1, 2003 in six month intervals until Jan.1, 2003 when both rates will become zero.
- 3-Access Rates effective 1-1-01
- 4-Total Access Revenues from January thru December 2003

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 2**

Crockett Telephoine Company, Inc.  
 BellSouth Access Rates  
 Intrastate/IntraLata

		<u>Crockett</u>	<u>July1,2001</u>	<u>Jan.1,2002</u>	<u>July 1,2002</u>	<u>Jan.1,2003</u>
Switched Facility	X miles X minutes X BP	0.000090				
	Composite - Switched Facility	0.000591	0.000591	0.000591	0.000591	0.000591
Switched Term		0.000443				
	Composite - Switched Term	0.000873	0.000873	0.000873	0.000873	0.000873
Local Switching		0.040400	0.040400	0.040400	0.040400	0.040400
TIC		0.015055	0.011291	0.007528	0.003764	-
DA Surcharge		0.000198	0.000149	0.000099	0.000050	-
CCL	Originating	0.016506	-	-	-	-
	Terminating	0.017906	-	-	-	-
	Avg CCL	0.017206	0.012900	0.008594	0.004306	-
	Total rate	0.074323	0.066204	0.058084	0.049983	0.041864
	Rate Decrease		0.008119	0.008119	0.008101	0.008119
	BellSouth MOU's		6,694,100	6,861,453	7,032,989	7,208,814
Access Reduction (July 1 ,2001-Jan 1, 2002)			\$ 54,351.07	\$ 55,709.85	\$ 56,976.00	\$ 58,530.16
Access Reduction (Jan. 1 ,2002-July 1, 2002)			-	55,709.85	56,976.00	58,530.16
Access Reduction (July. 1, 2002-Jan 1, 2003)			-	-	56,976.00	58,530.16
Access Reduction (Jan. 1, 2003-July 1, 2003)			-	-	-	58,530.16
						<u>234,120.64</u>

	<u>Year</u> <u>Totals</u>	<u>Cumulative</u> <u>Totals</u>
Totals 2001	\$ 54,351.07	\$ 54,351.07
Totals 2002	282,347.70	336,698.77
Totals 2003	<u>234,120.64</u>	<u>570,819.41</u>
Totals	\$ <u>570,819.41</u>	\$ <u>-</u>
Total Impact with Rates in Place for a Full Year		<u>\$ 468,241.27</u> -4

**NOTES**

- 1-Minutes of use are 2000 annual minutes divided by two and increased semiannually 2.5%
- 2-The Transport Interconnect Charge (TIC), the Carrier Common Line Charge(CCL) and the DA Surcharge are proposed to begin a phase-down commencing July 1, 2001 and scheduled to continue thru Jan1, 2003 in six month intervals until Jan. 1, 2003 when both rates will become zero.
- 3-Access Rates effective 1-1-01
- 4-Total Access Revenues from January thru December 2003



**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 2**

Tennessee TEC Telephoie Companies  
 BellSouth Access Revenues  
 IntrastateIntraLata

	<u>July1,2001</u>	<u>Jan.1,2002</u>	<u>July 1,2002</u>	<u>Jan.1,2003</u>
BellSouth MOU's	21,854,585	22,400,950	22,960,973	23,534,998
Access Reduction (July 1 ,2001-Jan 1, 2002)	\$ 177,388.56	\$ 181,823.27	\$186,242.26	\$ 190,976.74
Access Reduction (Jan. 1 ,2002-July 1, 2002)	-	181,823.27	186,242.26	190,976.74
Access Reduction (July. 1, 2002-Jan 1, 2003)	-	-	186,242.26	190,976.74
Access Reduction (Jan. 1, 2003-July 1, 2003)	-	-	-	190,976.74
				<u>\$ 763,906.97</u>

	<u>Year Totals</u>	<u>Cumulative Totals</u>
Totals 2001	\$ 177,388.56	\$ 177,388.56
Totals 2002	922,373.32	1,099,761.87
Totals 2003	<u>763,906.97</u>	<u>1,863,668.85</u>

Totals	<u>\$ 1,863,668.85</u>	<u>\$ -</u>
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Total Impact with Rates in Place for a Full Year \$ 1,527,813.94 -4

**NOTES**

- 1-Minutes of use are 2000 annual minutes divided by two and increased semiannually 2.5%
- 2-The Transport Interconnect Charge (TIC), the Carrier Common Line Charge(CCL) and the DA Surcharge are proposed to begin a phase-down commencing July 1, 2001 and scheduled to continue thru Jan1, 2003 in six month intervals until Jan.1, 2003 when both rates will become zero.
- 3-Access Rates effective 1-1-01
- 4-Total Access Revenues from January thru December 2003

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 2**

Tennessee TEC Telephoine Companies  
 BellSouth, AT&T, & Other IXC Access Revenues  
 Total Tennessee Intrastate

	<u>July1,2001</u>	<u>Jan.1,2002</u>	<u>July 1,2002</u>	<u>Jan.1,2003</u>
BellSouth, AT&T, & Other IXC' MOU	26,526,959	27,190,133	27,869,886	28,566,633
Access Reduction (July 1 ,2001-Jan 1, 2002)	\$ 215,168.99	\$ 220,548.21	\$225,903.04	\$ 231,651.32
Access Reduction (Jan. 1 ,2002-July 1, 2002)	-	220,548.21	225,903.04	231,651.32
Access Reduction (July. 1, 2002-Jan 1, 2003)	-	-	225,903.04	231,651.32
Access Reduction (Jan. 1, 2003-July 1, 2003)	-	-	-	231,651.32
				<u>\$ 926,605.26</u>

	<u>Year Totals</u>	<u>Cumulative Totals</u>
Totals 2001	\$ 215,168.99	\$ 215,168.99
Totals 2002	1,118,805.55	1,333,974.54
Totals 2003	<u>926,605.26</u>	<u>2,260,579.80</u>
Totals	<u>\$ 2,260,579.80</u>	<u>\$ -</u>

Total Impact with Rates in Place for a Full Year \$ 1,853,257.76 -4

**NOTES**

- 1-Minutes of use are 2000 annual minutes divided by two and increased semiannually 2.5%
- 2-The Transport Interconnect Charge (TIC), the Carrier Common Line Charge(CCL) and the DA Surcharge are proposed to begin a phase-down commencing July 1, 2001 and scheduled to continue thru Jan1, 2003 in six month intervals until Jan. 1, 2003 when both rates will become zero.
- 3-Access Rates effective 1-1-01
- 4-Total Access Revenues from January thru December 2003 (See Response Item #1)

3. Do the TEC Companies anticipate that the final resolution of the intraLATA toll settlement will result in any net revenue reductions?

Response: TEC Companies are unable to anticipate the result of the intraLATA toll settlement. At this time, the final resolution of this item is unknown to the TEC Companies and we are unable to speculate on any revenue impact.

4. If the response to item no. 3, above, is in the affirmative, provide an estimate, including supporting calculations and documentation, of the annual revenue impact that final resolution of the intraLATA toll settlement process will have on the TEC companies.

Response: Not Applicable

5. If the response to item no. 3, above, is in the negative, provide a detailed narrative explaining your reasons for believing that the final resolution of the intraLATA toll settlement process will not result in any net revenue reductions to the TEC companies.

Response: Not Applicable

Telephone Electronics Corporation  
Response to TRA Data Request  
Dated May 11, 2001

6. For each of the TEC companies, what are the current combined, total intrastate access rates/revenues on a per-minute basis?

Response:

Please see attached rate sheet and revenue schedule.

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 6**

**Peoples Telephone Company**  
**Combined Access Rate/Revenue per Minute of Access**  
**Intrastate**

		<b>Current Rates</b>	<b>Minutes (1)</b>	<b>Current Revenues</b>
Switched Facility	X miles X minutes X BP	0.000090		
	Composite - Switched Facility	0.001108	20,890,257	23,153.36
Switched Term		0.000443		
	Composite - Switched Term	0.000944	20,890,257	19,716.77
Local Switching		0.040400	20,890,257	843,966.38
TIC		0.015055	20,890,257	314,502.82
DA Surcharge		0.000198	20,890,257	4,136.27
CCL	Originating	0.019837		
	Terminating	0.021237		
	Avg CCL	0.020537	20,890,257	429,023.21
<b>Total Combined Intrastate Access Rate/Revenue per Minute of Access</b>		<b>0.078242</b>		<b>1,634,498.81</b>

**Footnote**

(1) See worksheets for item 2 for explanation of minutes.

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 6**

**West Tennessee Telephone Company, Inc.**  
**Combined Access Rate/Revenue per Minute of Access**  
**Intrastate**

		<b>Current Rates</b>	<b>Minutes (1)</b>	<b>Current Revenues</b>
Switched Facility	X miles X minutes X BP	0.000090		
	Composite - Switched Facility	0.001048	18,148,752	19,015.39
Switched Term		0.000443		
	Composite - Switched Term	0.001062	18,148,752	19,265.90
Local Switching		0.040400	18,148,752	733,209.58
TIC		0.015055	18,148,752	273,229.46
DA Surcharge		0.000198	18,148,752	3,593.45
CCL	Originating	0.012604		
	Terminating	0.014004		
	Avg CCL	0.013304	18,148,752	241,451.00
<b>Total Combined Intrastate Access Rate/Revenue per Minute of Access</b>		<b>0.071066</b>		<b>1,289,764.78</b>

**Footnote**

**(1) See worksheets for item 2 for explanation of minutes.**



**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 6**

**Crockett Telephoine Company, Inc.**  
**Combined Access Rate/Revenue per Minute of Access**  
**Intrastate**

		<u>Current Rates</u>	<u>Minutes (1)</u>	<u>Current Revenues</u>
Switched Facility	X miles X minutes X BP	0.000090		
	Composite - Switched Facility	0.000591	18,094,259	10,688.26
Switched Term		0.000443		
	Composite - Switched Term	0.000873	18,094,259	15,798.52
Local Switching		0.040400	18,094,259	731,008.06
TIC		0.015055	18,094,259	272,409.07
DA Surcharge		0.000198	18,094,259	3,582.66
CCL	Originating	0.016506		
	Terminating	0.017906		
	Avg CCL	0.017206	18,094,259	311,329.82
<b>Total Combined Intrastate Access Rate/Revenue per Minute of Access</b>		<u><b>0.074323</b></u>		<u><b>1,344,816.40</b></u>

**Footnote**

**(1) See worksheets for item 2 for explanation of minutes.**

7. For each of the TEC companies, what will be the combined, total intrastate access rates/revenues on a per-minute basis if the Transport Interconnection Charge, Carrier Common Line Charge, and DA Surcharge rate elements are set to zero?

Response:

Please see attached proposed rate sheet and revenue schedule.

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 7**

**Peoples Telephone Company**

**Combined Access Rate/Revenue per Minute of Access with TIC, CCL, DA Surcharge Set to Zero**  
**Intrastate**

		<b>Proposed Rates</b>	<b>Minutes (1)</b>	<b>Proposed Revenues</b>
Switched Facility	X miles X minutes X BP	0.000090		
	Composite - Switched Facility	0.001108	20,890,257	23,153.36
Switched Term		0.000443		
	Composite - Switched Term	0.000944	20,890,257	19,716.77
Local Switching		0.040400	20,890,257	843,966.38
TIC		-	20,890,257	0.00
DA Surcharge		-	20,890,257	0.00
CCL	Originating	-		
	Terminating	-		
	Avg CCL	-	20,890,257	0.00
<b>Total Combined Intrastate Access Rate/Revenue per Minute of Access</b>		<b>0.042452</b>		<b>886,836.51</b>

**Footnote**

**(1) See worksheets for item 2 for explanation of minutes.**

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 7**

**West Tennessee Telephone Company, Inc.**

**Combined Access Rate/Revenue per Minute of Access with TIC, CCL, DA Surcharge Set to Zero**

**Intrastate**

		<b>Proposed Rates</b>	<b>Minutes (1)</b>	<b>Proposed Revenues</b>
Switched Facility	X miles X minutes X BP	0.000090		
	Composite - Switched Facility	0.001048	18,148,752	19,015.39
Switched Term		0.000443		
	Composite - Switched Term	0.001062	18,148,752	19,265.90
Local Switching		0.040400	18,148,752	733,209.58
TIC		-	18,148,752	0.00
DA Surcharge		-	18,148,752	0.00
CCL	Originating	-		
	Terminating	-		
	Avg CCL	-	18,148,752	0.00
<b>Total Combined Intrastate Access Rate/Revenue per Minute of Access</b>		<b>0.042509</b>		<b>771,490.87</b>

**Footnote**

**(1) See worksheets for item 2 for explanation of minutes.**

**Response to Tennessee Regulatory Data Request Dated May 11, 2001**  
**Item # 7**

**Crockett Telephoine Company, Inc.**

**Combined Access Rate/Revenue per Minute of Access with TIC, CCL, DA Surcharge Set to Zero**  
**Intrastate**

		<b>Proposed Rates</b>	<b>Minutes (1)</b>	<b>Proposed Revenues</b>
Switched Facility	X miles X minutes X BP	0.000090		
	Composite - Switched Facility	0.000591	18,094,259	10,688.26
Switched Term		0.000443		
	Composite - Switched Term	0.000873	18,094,259	15,798.52
Local Switching		0.040400	18,094,259	731,008.06
TIC		-	18,094,259	0.00
DA Surcharge		-	18,094,259	0.00
CCL	Originating	-		
	Terminating	-		
	Avg CCL	-	18,094,259	0.00
<b>Total Combined Intrastate Access Rate/Revenue per Minute of Access</b>		<b>0.041864</b>		<b>757,494.85</b>

**Footnote**

**(1) See worksheets for item 2 for explanation of minutes.**

8. What are the TEC Companies' current total per-minute costs of providing intrastate access services?

Response:

The TEC companies are average schedule companies and their rates for services are residually set. TEC does not have cost studies prepared for its average schedule companies and does not maintain other records which would reflect per minute costs of providing intrastate access services.

9. Provide supporting calculations and documentation of the total per-minute intrastate access costs reported in the response to item no. 8, above.

Response:

Please see response to question 8.

10. Set forth the TEC Companies' per-minute costs of providing the following intrastate access rate elements:

- a. Transport Interconnection;
- b. Carrier Common Line; and
- c. Directory Assistance/Information Surcharge

Response:

The TEC Companies do not maintain this information.



11. Provide supporting calculations and documentation of the per-minute costs reported in item no. 10, above, for:

- a. Transport Interconnection.
- b. Carrier Common Line.
- c. Directory Assistance/Information Surcharge.

Response:

Unable to provide information requested in item no. 10.

12. How do the TEC Companies propose to fund a 25% reduction in the Transport Interconnection Charge, Carrier Common Line Charge, and DA Surcharge for the period July 1, 2001 through December 31, 2001?

Response:

TEC proposes to fund a 25% reduction in the Transport Interconnection Charge, Carrier Common Line Charge and DA Surcharge by reducing proposed depreciation charges as outlined in the December 28, 1999 letter of understanding between Vincent Williams of the Attorney General's Consumer Advocate Division and Gregory Eubanks. TEC would decrease the proposed depreciation increase by \$ 212,168.99 which is the amount of the proposed access reduction for the period of July 1, 2001 through December 31, 2001.

13. How do the TEC Companies propose to fund the future reductions in the Transport Interconnection Charge, Carrier Common Line Charge, and DA Surcharge referenced in the Memorandum of Understanding between the TEC Companies and AT&T dated March 30, 2001?

Response:

TEC proposes to fund future reductions to the access charge elements (Transport Interconnection Charge, Carrier Common Line and DA Surcharge) through future earnings. TEC has no plans to seek a rate increase to offset access reductions.

14. Please state whether future reductions in the Transport Interconnection Charge, Carrier Common Line Charge, and DA Surcharge referenced in the Memorandum of Understanding between the TEC Companies and AT&T dated March 30, 2001, will contribute either directly or indirectly to future requests for any rate increases?

Response:

At the present time it is unknown whether access reductions will contribute either directly or indirectly to future rate increases. The TEC Companies are rate of return regulated. Should its rate of return fall below authorized levels in the future, it reserves the right to seek the appropriate rate relief. There are many issues other than access charge reductions which are currently being considered in the telecom industry that could impact the revenues of the TEC Companies. The adoption of some of these issues could force the TEC Companies to seek rate relief. Among these are regulatory access charge proceedings, universal service proceedings, FCC and MAG issues that could affect interstate and intrastate revenues.